

national aviation system, rural airspace safety, and rural air service.

“(2) FEE TO BE SEPARATELY ACCOUNTED FOR.—The proceeds of fees imposed under this subsection shall be accounted for separately from the proceeds of any fee imposed under subsection (b).

“(3) FEES TO BE USED FOR SMALL COMMUNITY AIR SERVICE.—

“(A) IN GENERAL.—Fees collected under this subsection shall be immediately made available to the Secretary for use in carrying out the essential air service program under subchapter II of chapter 417 of this title.

“(B) DISPOSITION OF EXCESS FUNDS.—Any funds that are not obligated or expended at the end of the fund's fiscal year for the purpose of funding the essential air service program under such subchapter shall be made available to the Federal Aviation Administration for use in improving rural air safety under subchapter I of chapter 471 of this title and shall be used exclusively for projects at rural airports under subchapter II of chapter 417 of this title.

“(C) COMPENSATION OF AIR CARRIERS FOR ACTING AS COLLECTION AGENTS.—The Secretary shall prescribe regulations under which any air carrier or its agent required to collect fees imposed under this section is permitted to retain, out of the amounts collected, an amount equal to the necessary and reasonable expenses (reduced by any interest earned on the deposit of such amounts during the period between collection and remittance) incurred in collecting and handling the fees.”.

SEC. 4. SECRETARY MAY REQUIRE MATCHING LOCAL FUNDS.

Section 41737 of title 49, United States Code, is amended by adding at the end thereof the following:

“(f) MATCHING FUNDS.—No earlier than 2 years after the date of enactment of the Rural Air Service Survival Act, the Secretary may require an eligible agency, as defined in section 40117(a)(2) of this title, to provide matching funds of up to 10 percent for any payments it receives under this subchapter.”.

SEC. 5. EFFECTIVE DATE.

The amendments made by this section shall take effect on the first day of October next occurring after the date of enactment of this Act.●

By Mrs. KASSEBAUM (for herself, Mr. DODD, and Mr. JEFFORDS):

S. 1400. A bill to require the Secretary of Labor to issue guidance as to the application of the Employee Retirement Income Security Act of 1974 to insurance company general accounts; to the Committee on Labor and Human Resources.

THE ERISA CLARIFICATION ACT OF 1995

● Mrs. KASSEBAUM. Mr. President, I rise today along with Senator DODD and Senator JEFFORDS, to introduce the ERISA Clarification Act of 1995.

This legislation is designed to protect pension plan participants and beneficiaries by removing the threat of retroactive liability based on the way life insurance companies have historically organized and managed pension assets. Importantly, the legislation would not affect any ongoing civil action.

For nearly 20 years, the insurance industry relied on an interpretive bulletin issued by the Department of Labor, as well as an Internal Revenue

Service ruling, which stated that assets held in an insurance company's general account were not considered plan assets under the Employee Retirement Income Security Act [ERISA]. In December 1993, however, the Supreme Court ruled in *John Hancock versus Harris Trust* that this long-standing practice of including pension assets as part of a general account could violate certain provisions of ERISA. The Court recognized that its decision created the possibility of serious disruptions in the way pension assets were managed. As such, it commented that problems arising from the decision should be addressed legislatively or administratively.

The Department of Labor is working closely with all parties to develop rules, consistent with *Harris Trust*, for dealing with prospective insurance company activities. However, without additional legislative authority, the Department of Labor may be unable to grant protection for retroactive activities which might expose insurance companies to significant liability and threaten the security of pension assets.

Mr. President, in the nearly 20 years before the Supreme Court's decision in *Harris Trust*—and in the 2 years since that decision—there has been little evidence that plan participants have been harmed by the insurance industry's long-standing practice of managing benefits, or that the insurance industry is especially prone to the problems of asset mismanagement that gave rise to ERISA. In fact, there were no enforcement proceedings initiated by the Department of Labor against insurers resulting from the mismanagement of pension assets prior to the *Harris Trust* decision.

I believe, however, that our failure to address this issue could threaten the safety and security of pension assets by exposing the insurance industry to millions of dollars of retroactive liability. Therefore, I believe we should consider, and enact, this important legislation as quickly as possible. I look forward to working with my cosponsors, and with other Members of this body, to do so.●

ADDITIONAL COSPONSORS

S. 881

At the request of Mr. PRYOR, the name of the Senator from Georgia [Mr. NUNN] was added as a cosponsor of S. 881, a bill to amend the Internal Revenue Code of 1986 to clarify provisions relating to church pension benefit plans, to modify certain provisions relating to participants in such plans, to reduce the complexity of and to bring workable consistency to the applicable rules, to promote retirement savings and benefits, and for other purposes.

S. 949

At the request of Mr. GRAHAM, the name of the Senator from Texas [Mrs. HUTCHISON] was added as a cosponsor of S. 949, a bill to require the Secretary of

the Treasury to mint coins in commemoration of the 200th anniversary of the death of George Washington.

S. 1028

At the request of Mrs. KASSEBAUM, the names of the Senator from Florida [Mr. GRAHAM] and the Senator from Ohio [Mr. DEWINE] were added as cosponsors of S. 1028, a bill to provide increased access to health care benefits, to provide increased portability of health care benefits, to provide increased security of health care benefits, to increase the purchasing power of individuals and small employers, and for other purposes.

S. 1181

At the request of Mr. STEVENS, the name of the Senator from Nebraska [Mr. EXON] was added as a cosponsor of S. 1181, a bill to provide cost savings in the medicare program through cost-effective coverage of positron emission tomography (PET).

S. 1233

At the request of Ms. MIKULSKI, the name of the Senator from Illinois [Mr. SIMON] was added as a cosponsor of S. 1233, a bill to assure equitable coverage and treatment of emergency services under health plans.

S. 1340

At the request of Mr. DASCHLE, the names of the Senator from Wyoming [Mr. THOMAS] and the Senator from Utah [Mr. HATCH] were added as cosponsors of S. 1340, a bill to require the President to appoint a Commission on Concentration in the Livestock Industry.

S. 1370

At the request of Mr. CRAIG, the name of the Senator from Kentucky [Mr. McCONNELL] was added as a cosponsor of S. 1370, a bill to amend title 10, United States Code, to prohibit the imposition of any requirement for a member of the Armed Forces of the United States to wear indicia or insignia of the United Nations as part of the military uniform of the member.

NOTICE OF HEARING

COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. MURKOWSKI. Mr. President, I would like to announce for the information of the Senate and the public that a hearing has been scheduled before the Energy and Natural Resources Committee to review the decision-making process of the Department of the Interior in preparing and releasing the U.S. Geological Survey [USGS] 1995 estimates for the 1002 areas of the Arctic National Wildlife Refuge [ANWR].

The hearing will take place on Tuesday, November 14 at 9:30 a.m. in room SD-366 of the Dirksen Senate Office Building in Washington, DC.

Those wishing to testify or submit written statements should write to the Committee on Energy and Natural Resources, U.S. Senate, Washington, DC 20510. For further information, please call Kelly Johnson or Joe Meuse at (202) 224-6730.